

## Message Text

UNCLASSIFIED

PAGE 01 NEW DE 01445 312016Z  
ACTION NEA-10

INFO OCT-01 ISO-00 AID-05 IGA-02 NEAE-00 SSO-00 NSCE-00  
USIE-00 INRE-00 OMB-01 PC-05 EUR-12 EB-08 TRSE-00  
/044 W

-----312018Z 127330 /44

O R 311829Z JAN 77

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC IMMEDIATE 0910

INFO AMEMBASSY LONDO

AMCONGEN CALCUTTA

AMCONGEN BOMBAY

AMCONGEN MADRAS

UNCLAS NEW DELHI 1445

E.O. 11652: N/A

TAGS: EAID, UK, IN

SUBJECT: BRITISH AID AGREEMENTS WITH INDIA AND BRITISH HIGH  
COMMISSIONER'S STATEMENT

1. AT JAN. 27 CEREMONY HERE, BRITISH HIGH COMMISSIONER THOMSON  
AND SECRETARY OF DEA IN MINISTRY OF FINANCE SIGNED FIVE  
AGREEMENTS UNDER WHICH BRITAIN WILL PROVIDE 112.1 MILLION  
POUNDS IN GRANTS IN FULFILLMENT OF PLEDGE MADE AT MAY 1976  
PARIS CONSORTIUM MEETING. AGREEMENTS ARE AS FOLLOWS:

A. MAINTENANCE AID (70 MILLION) POUNDS TO IMPORT FROM UK  
MAINTENANCE GOODS, INCLUDING SPARE PARTS AND COMMODITIES;

B. DEBT REFINANCING GRANT (12.1 MILLION) POUNDS, WHICH IS  
UNTIED AND REPRESENTS ABOUT 45 PERCENT OF VALUE OF DEBT  
SERVICE DUE THIS YEAR FROM INDIA TO UK;

C. THREE CAPITAL GRANTS (10 MILLION POUNDS EACH) TO IMPORT  
BRITISH CAPITAL GOODS FOR GENERAL PROGRAMS AND FOR COAL AND  
POWER SECTORS. IN ADDITION, BRITAIN IS PLANNING TO SPEND  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 NEW DE 01445 312016Z

ABOUT 5 MILLION POUNDS ON TECHNICAL ASSISTANCE PROGRAMS IN  
INDIA THIS FISCAL YEAR.

2. NEW BRITISH HIGH COMMISSIONER WAS FULSOME IN PRAISE OF  
INDIA IN HIS REMARKS AT CEREMONY. HE NOTED THAT THIS WAS  
LARGEST SUM PLEDGED AT ONE TIME BY HMG IN A BILATERAL AGREE-  
MENT OF THIS KIND. THE SIZE OF THIS DEVELOPMENT PROGRAM

INDICATED THE "IMPORTANCE WE ATTACH TO INDIA.. WE JUDGE INDIA TO BE A KEY COUNTRY IN THE WORLDWIDE EFFORT TO IMPROVE THE STANDARD OF LIVING OF DEVELOPING PEOPLES EVERYWHERE. YOUR ACHIEVEMENTS DEMONSTRATE WHAT CAN BE DONE." THOMSON TOUCHED ON INDIA'S ACHIEVEMENTS IN BUILDING UP MANUFACTURING, EXPORTS AND FOREIGN EXCHANGE RESERVES AND GOI EFFORTS TO IMPROVE AGRICULTURAL PRODUCTION BY IRRIGATION, DEVELOP EDUCATION AND MEDICINE, AND IMPROVE THE LOT OF THE POOR. HE ALSO NOTED: "ALTOGETHER, INDIA'S ECONOMIC OUTLOOK IS HEALTHIER THAN IT HAS EVER BEEN, AND I AM SURE THAT THIS IS DUE IN LARGE MEASURE TO YOUR PRIME MINISTER'S DECISIVE LEADERSHIP. THESE ACHIEVEMENTS ARE MUCH TO BE ADMIRER."

3. COMMENT: NEEDLESS TO SAY, BOTH BRITAIN'S GRANT AGREEMENTS AND THE HIGH COMMISSIONER'S STATEMENT HAVE RECEIVED WIDE AND FAVORABLE PUBLICITY IN THE INDIAN PRESS.  
SCHNEIDER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN ASSISTANCE AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 31-Jan-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977NEWDE01445  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770034-0445  
**Format:** TEL  
**From:** NEW DELHI  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t1977012/aaaaabvn.tel  
**Line Count:** 79  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 2c619ed1-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 28-Sep-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3507879  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BRITISH AID AGREEMENTS WITH INDIA AND BRITISH HIGH COMMISSIONER'S STATEMENT  
**TAGS:** EAID, UK, IN  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/2c619ed1-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009